



# TRF LIMITED

A **TATA** Enterprise



**42<sup>nd</sup> Annual Report**  
**2004-05**

**TRF LIMITED**

Fortysecond annual report 2004-05

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42nd Annual General Meeting will be held on Saturday, July 16, 2005 at the Auditorium of the Shavak Nanavati Technical Institute, 'N' Road, Bistupur, Jamshedpur - 831 001 at 12:00 noon  
As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting.  
Members are requested to kindly bring their copies of the Annual Report to the meeting.



**Board of Directors**

(As on April 28, 2005)

Dr. Jamshed J. Irani (*Chairman*)

S. J. Ghandy

R. Sankaran

S. N. Malhotra (*upto 24.12.2004*)

S. K. Bhargava

B. D. Bodhanwala

R. P. Singh

K. P. Singh

Ranaveer Sinha

Jayant Kumar (*w.e.f. 24.12.2004*)Santosh K. Gupta (*Managing Director*)R. C. Nandrajog (*Executive Director - w.e.f. 01.08.2004*)**Management**

(As on April 28, 2005)

Santosh K. Gupta ..... Managing Director

R. C. Nandrajog ..... Executive Director  
(*w.e.f. 01.08.2004*)

A. K. Chakraborti ..... Executive Vice President (Engg., IT &amp; HR)

Hari Om Prakash ..... Sr. General Manager (BMHS)

Ashim Roy ..... General Manager (Finance &amp; Accounts)

P. P. Deshmukh ..... Deputy General Manager (Works)

L. T. K. Ambasta ..... Assistant General Manager (Projects)

N. Ghosh ..... Assistant General Manager (Mini Blast Furnaces)

S. Brahma ..... Assistant General Manager (Finance &amp; Accounts) &amp; Incharge EPC/M Div.

P. Dasgupta ..... Assistant General Manager (Contracts)

Arun Kumar ..... Assistant General Manager (Projects)

S. S. Chand ..... Assistant General Manager (Contracts)

S. Dasgupta ..... Sr. Divisional Manager - Incharge, Port &amp; Yard Equipment Div.

Vishwanath G. Malagi ..... Company Secretary  
(*w.e.f. 03.02.2005*)**REGISTERED OFFICE**11, Station Road, Burma Mines,  
Jamshedpur - 831 007**BANKERS**Bank of India  
Canara Bank  
Central Bank of India  
State Bank of India**AUDITORS**

A. F. Ferguson &amp; Co.

**REGISTRARS & SHARE TRANSFER AGENTS**Tata Share Registry Ltd.  
Army & Navy Building,  
148, Mahatma Gandhi Road,  
Mumbai - 400 001

**TRF LIMITED**

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**Notice**

NOTICE IS HEREBY GIVEN THAT THE FORTYSECOND ANNUAL GENERAL MEETING OF TRF LIMITED will be held at the Auditorium of the Shavak Nanavati Technical Institute, 'N' Road, Bistupur, Jamshedpur – 831 001, on Saturday, July 16, 2005 at 12:00 noon to transact the following business :

1. To receive and adopt the audited Profit and Loss Account of the Company for the year ended March 31, 2005, the Balance Sheet as at that date and the Reports of the Directors and Auditors.
2. To declare dividend on equity shares of the Company for the year ended March 31, 2005.
3. To resolve not to fill the vacancy caused by the retirement of Mr. R. Sankaran, Director, who retires by rotation and does not wish to seek re-appointment.
4. To appoint a Director in place of Mr. S. J. Ghandy, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint a Director in place of Mr. K. P. Singh, who retires by rotation and being eligible, offers himself for re-appointment.
6. To appoint Auditors and to fix their remuneration.

**SPECIAL BUSINESS**

7. **Appointment of Mr. Jayant Kumar, as Director of the Company**

To consider and, if thought fit, to pass, with or without modification, the following Resolution as an Ordinary Resolution :

“RESOLVED that Mr. Jayant Kumar, who was appointed as Director by the Board at its meeting held on December 24, 2004 in the casual vacancy caused by the resignation of Mr. S. N. Malhotra, Director and who holds office under Section 262 of the Companies Act, 1956, upto the date of this Annual General Meeting and in respect of whom due notice under Section 257 of the Companies Act, 1956, has been received by the Company, be and is hereby appointed Director of the Company and that his office shall be subject to retirement by rotation.”

8. **Revision in terms of remuneration of Mr. Santosh Kumar Gupta, Managing Director**

To consider and, if thought fit, to pass, with or without modification, the following Resolution as a Special Resolution :

“RESOLVED that, in partial modification of the Resolution passed at the 41st Annual General Meeting, held on July 10, 2004 for re-appointment and terms of remuneration of Mr. Santosh Kumar Gupta, Managing Director of the Company and in accordance with the provisions of Sections 269, 309, 310 and other applicable provisions, if any, of the Companies Act, 1956, including any statutory modification or re-enactment thereof

or any amendments thereto, the Company hereby approves, the change in the maximum amount of salary payable to Mr. Santosh Kumar Gupta (including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the tenure of his appointment), with authority to the Board of Directors of the Company, to fix his salary within such maximum amount, increasing thereby, proportionately, all benefits related to the quantum of salary, with effect from April 01, 2005 for the remainder of the tenure of the contract as set out in the draft Agreement submitted to this meeting, and initialled by a Director for the purpose of identification, which agreement is hereby specifically sanctioned."

**9. Approval of payment of sitting fees to Non-executive Directors**

To consider and, if thought fit, to pass, with or without modification, the following Resolution as an Ordinary Resolution :

"RESOLVED that the approval of the shareholders of the Company be and is hereby granted to the Board of Directors to fix the sitting fees to be paid to the non-executive Directors of the Company, for attending the meetings of the Board and Committees thereof, subject to the maximum amount as may be permissible under the provisions of Section 310 of the Companies Act, 1956, read with Rule 10 B, of the Companies (Central Government's) General Rules and Forms, 1956, including any statutory modification or re-enactment thereof or any amendments thereto."

**10. Delisting of the Equity Shares of the Company from Calcutta Stock Exchange and Magadh Stock Exchange**

To consider and, if thought fit, to pass, with or without modification, the following Resolution as a Special Resolution :

"RESOLVED THAT subject to the approval of the Stock Exchanges, Securities and Exchange Board of India (SEBI) and such other authorities as may be required, the approval of the shareholders of the Company be and is hereby granted to the Board of the Directors of the Company to delist the equity shares of the Company with The Calcutta Stock Exchange Association Limited, Kolkata and the Magadh Stock Exchange Association, Patna."

**NOTES:**

a) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND ON A POLL, TO VOTE INSTEAD OF HIMSELF. A PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY FORM DULY COMPLETED SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

b) The Register of Members and share transfer books of the Company will be closed from June 24, 2005 to July 01, 2005 (both days inclusive) for the purpose of ascertaining dividend.

c) The dividend on shares, as recommended by the Directors, and if declared at the meeting, will be payable to those members whose names appear on the Register of Members of the Company as on July 01, 2005 or their mandatees, subject however, to the provisions of Section 206A of the Companies Act, 1956.

In respect of shares held in electronic form, the dividend will be payable to the beneficial owners as on June 24, 2005 as per details received from the Depositories.

d) As per the provisions of the Companies Act, 1956, facility for making nomination is now available to the shareholders in respect of the shares held by them. Nomination forms can be obtained from the Registered Office or the Registrars & Share Transfer Agents of the Company.

e) Pursuant to Section 205C of the Companies Act, 1956, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the date of its transfer to the unpaid dividend account of the Company is required to be transferred to the Investor Education and Protection Fund set up by the Government of India and no payments shall be made in respect of any claim by the Fund.

Members who have not as yet encashed their dividend warrant(s) for the financial year ended March 31, 1998 and onwards, are requested to make their claims to the Registrars & Share Transfer Agents of the Company without any delay.

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- f) Members desirous of any additional information as regards the Accounts are requested to write to the Company at an early date so as to enable the Management to keep the information ready at the meeting.
- g) Members are requested to bring the admission slips along with their copies of the Annual Report to the meeting.

*Registered Office:*

11, Station Road,  
Burma Mines,  
Jamshedpur – 831 007.

*April 28, 2005*

By Order of the Board of Directors

Vishwanath G. Malagi  
*Company Secretary*

### ANNEXURE TO NOTICE

#### Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956

As required under Section 173 of the Companies Act, 1956 (hereinafter referred to as 'the Act') the following Explanatory Statement sets out all material facts relating to the special business mentioned in Item Nos.7 to 10 of the accompanying Notice dated April 28, 2005, convening the meeting.

#### ITEM NO. 7

The Board of Directors appointed Mr. Jayant Kumar as Director of the Company with effect from December 24, 2004 in the casual vacancy caused by the resignation of Mr. S. N. Malhotra, Director.

In accordance with the provisions of Article 104 of the Articles of Association of the Company read with Section 260 of the Act, Mr. Jayant Kumar holds office only up to the date of the 42<sup>nd</sup> Annual General Meeting. A notice in writing under Section 257 of the Act along with requisite deposit has been received from a member signifying his intention to propose the appointment of Mr. Jayant Kumar as a Director of the Company at the meeting.

Mr. Jayant Kumar is the Managing Director of ACC Nihon Castings Limited and the President of ACC Machinery Company Limited. Considering the vast experience and expertise of Mr. Jayant Kumar, the Board of Directors commends the resolution for acceptance by the members, in the best interest of the Company.

Except Mr. Jayant Kumar, no other Director of the Company is concerned or interested in the Resolution.

#### ITEM NO. 8

At the 41<sup>st</sup> Annual General Meeting of the Company held on July 10, 2004, the members of the Company had approved the re-appointment and terms of remuneration of Mr. Santosh Kumar Gupta as Managing Director of the Company for a period of three years with effect from April 01, 2004 in the scale of Rs.50,000 - 1,20,000 (with proportionate increase in the value of the benefits related to salary). The other terms and conditions of his appointment were also specified in the Explanatory Statement annexed to the Notice of the said meeting.

Subject to the provisions of Sections 269, 309, 310 read with paragraph 1 of Part III to Schedule XIII of the Companies Act, 1956 including any statutory modification or re-enactment thereof or any amendments thereto and taking into account the present salary of the Managing Director and the good performance of the Company under his management, the Board of Directors at its meeting held on April 28, 2005, has recommended revision in the maximum salary payable to the Managing Director, with effect from April 1, 2005. The salary payable to the Managing Director is upto a maximum of Rs. 2,40,000/- per month, with authority to the Board of Directors, to fix the salary within the said maximum amount from time to time.

The Board of Directors shall decide the annual increments based on merit after taking into account Company's performance. All other terms and conditions of the re-appointment of the Managing Director, as approved by the shareholders, shall remain unchanged.

The Board commends the resolution for acceptance by the members.

The draft Supplemental Agreement, to be entered into between the Company and Mr. Santosh Kumar Gupta, is available for inspection by the shareholders of the Company, at the Registered Office of the Company between 11.00 a.m. and 1.00 p.m. on any working day of the Company except Saturday.

Except Mr. Santosh Kumar Gupta, no other Director of the Company is concerned or interested in the Resolution.

This Explanatory Statement is and should be treated as an abstract under Section 302 of the Act.

#### ITEM NO. 9

As per the amendments to Clause 49 of the Listing Agreement, all fees/compensation paid to non-executive directors, including independent directors, shall require prior approval of the shareholders in general meeting. Hence, the approval of the shareholders is sought, by way of the proposed resolution for payment of sitting fees to the non-executive directors for attending the meetings of the Board and its Committees, upto the maximum amount as may be permissible under the provisions of Section 310 of the Companies Act, 1956, read with Rule 10B of the Companies (Central Government's) General Rules and Forms, 1956, including any statutory modifications or re-enactments thereof or any amendments thereto.

All the Directors of the Company, except the Managing Director and the Executive Director, are concerned or interested in the resolution to the extent of the sitting fees that may be received by them.

#### ITEM NO. 10

At present, the Company's equity shares are listed with the following Stock Exchanges :

1. Magadh Stock Exchange Association, Patna – (Regional Stock Exchange),
2. The Calcutta Stock Exchange Association Limited, Kolkata (erstwhile Regional Stock Exchange)
3. The Stock Exchange, Mumbai (BSE).

Current SEBI Guidelines, provide that if the company's shares are listed on any Stock Exchange having nationwide network, then the company's shares need not be listed with any other Stock Exchange including the Regional Stock Exchange. Since your company's shares are listed with BSE, Mumbai, which has nationwide network, the shareholders of the Company shall not face any hardship in dealing with the shares of the Company. Further, the shares of your Company are thinly traded on The Calcutta & the Magadh Stock Exchanges.

In view of the foregoing, the Board of Directors of your Company have at its meeting held on March 23, 2005, resolved to delist the shares of the Company with The Calcutta Stock Exchange Association Limited, Kolkata and the Magadh Stock Exchange Association, Patna.

The Board commends the resolution for delisting the shares of the Company with The Calcutta Stock Exchange Association Limited, Kolkata and the Magadh Stock Exchange Association, Patna, for acceptance by the members.

None of the Directors of the Company is concerned or interested in the resolution.

*Registered Office :*

11, Station Road,  
Burma Mines,  
Jamshedpur – 831 007.

April 28, 2005

By Order of the Board of Directors

Vishwanath G. Malagi  
Company Secretary

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**Details of directors seeking appointment/re-appointment in the forthcoming Annual General Meeting**

(Pursuant to Clause 49 of the Listing Agreements with the Stock Exchanges)

Name of Director	Sarosh Jehangir Ghandy	Kishore Pal Singh
Date of birth	21-12-1937	24-01-1942
Date of appointment	05-11-1993	22-03-2002
Expertise in specific functional areas	Foundry & Forge Technology, Manufacturing Engineering and General Management	Construction & Project Management
Qualifications	B.Sc. (Met), F.I.E., F.I.I.F.	B. Engg. (Civil)
List of companies in which outside Directorship held as on March 31, 2005	Bhuruka Gases Ltd. Indian Infrastructure Equipment Ltd. Kirloskar Electric Company Ltd. Maini Material Movement Pvt. Ltd. Nettur Technical Training Foundation Ltd. NTTF Industries Ltd. RAPSRI Engineering Co. Ltd. Servion Global Solutions Ltd. Tele Radiology Solutions Pvt. Ltd.	Tata Projects Ltd. - Managing Director
Chairman/Member of the committees of the Boards of other companies on which he is a Director as on March 31, 2005	Bhuruka Gases Ltd. : Chairman - Audit Committee Member - Remuneration Committee Kirloskar Electric Company Ltd. : Member - Audit Committee Servion Global Solution Ltd. : Member - Audit Committee Member - Remuneration Committee	NONE
Shareholding in TRF Limited	NIL	NIL

Name of Director	Jayant Kumar
Date of birth	28-03-1956
Expertise in specific functional areas	Plant & Project Management, Quality Management, Business, Marketing and Human Resource Management
Qualifications	B. Tech (Metallurgical Engg.) & M. Tech (I.E. & O.R.) from IIT Kharagpur
List of companies in which outside Directorship held as on March 31, 2005	ACC-Nihon Castings Ltd. - Managing Director
Chairman/Member of the committees of the Boards of other companies on which he is a Director as on March 31, 2005	NONE
Shareholding in TRF Limited	NIL

## Highlights

Rupees in lakhs

	2004-05	2003-04	2002-03	2001-02	2000-01
Sales & Services (Net)	200,06.26	173,43.82	134,72.52	123,42.30	126,99.39
Other Income	1,62.59	1,16.63	2,59.43	1,14.23	2,85.82
Extraordinary Income	—	—	1,57.34	8,84.05	—
Employee costs	20,74.59	19,56.95	19,99.70	20,30.65	21,06.59
Depreciation	1,39.59	1,51.90	1,58.85	1,46.49	1,87.94
Interest & brokerage	4,11.07	2,11.97	2,63.56	1,10.78	1,64.87
Profit / (Loss) before taxes	6,60.34	5,29.44	(93.55)	12,53.48	5,01.65
Taxes / (Write back)	2,63.86	1,97.37	(51.40)	3,20.00	1,87.00
Profit / (Loss) after taxes	3,96.48	3,32.07	(42.15)	9,33.48	3,14.65
Dividend (%)	30	26	12	26	26
Works production	73,01.72	51,62.38	48,63.94	52,78.56	40,48.57
Progress billings	144,45.20	136,74.20	94,07.43	95,35.94	96,91.81
	As on 31.03.2005	As on 31.03.2004	As on 31.03.2003	As on 31.03.2002	As on 31.03.2001
Net fixed assets	8,94.44	9,03.42	10,01.37	11,23.67	12,14.36
Share capital	5,50.22	5,50.22	5,50.22	5,50.22	5,50.22
Reserves and surplus	32,65.82*	33,67.47	31,96.78	33,13.42	27,88.66
Net worth	38,16.04*	39,17.69	37,47.00	38,63.64	33,38.88
Borrowings	64,05.37	43,52.42	30,18.51	18,69.65	2,08.95
Net worth per share (Rs.)	69.35	71.20	68.10	70.22	60.68
Debt : Equity ratio	1.68:1	1.1:1	0.81:1	0.48:1	0.06:1
Number of employees	788	852	941	1001	1131
<p>* Consequent to the confirmation by the Hon'ble High Court of Judicature at Ranchi of the Financial Restructuring Scheme approved by the shareholders at the Extra-ordinary General Meeting held on December 29, 2003, the impact of restructuring have been given effect to from April 1, 2004. As a result, reserves and surplus, excluding revaluation reserves as on April 1, 2004, have come down by Rs. 309.91 lakhs, with corresponding decrease in Misc. Expenditure to the extent not written off.</p>					